this title. The lands shall have been included in the prospecting permit and shall not exceed 2,560 acres.

- (c) The application shall be accompanied by a map(s) which shows utility systems; the location of any proposed development or mining operations and facilities incidental thereto, including the approximate locations and the extent of the areas to be used for pits, overburden and tailings; and the location of water sources or other resources which may be used in the proposed operations or facilities incidental thereto.
- (d) The application shall include a narrative statement setting forth:
- (1) The anticipated scope, method and schedule of development operations, including the types of equipment to be used;
- (2) The method of mining anticipated, including the best available estimate of the mining sequence and production rate to be followed; and
- (3) The relationship, if any, between the mining operations anticipated on the lands applied for and existing or planned mining operations, or facilities incidental thereto, on adjacent Federal or non-federal lands.

§ 3533.2 Review of application.

§3533.2-1 Preference right determination.

The authorized officer shall determine whether the permittee has discovered a valuable deposit of potassium or any potassium compound and whether the lands are chiefly valuable therefor. The determination shall be based on data furnished to the authorized officer by the permittee as required by part 3590 of this title during the life of the permit and supplemental data submitted at the request of the authorized officer to determine the extent and character of the deposit, the anticipated mining and processing methods, the anticipated location, kind and extent of necessary surface disturbance and measures to be taken to reclaim that disturbance.

§3533.2-2 Surface management agency.

The surface management agency, if other than the Bureau, shall review the

application for preference right lease in accordance with §3500.9 and part 3580 of this title, as applicable. The appropriate surface management agency may request supplemental data regarding surface disturbance and reclamation if not otherwise submitted under §3533.1–2 of this title.

§3533.3 Issuance of lease.

The authorized officer shall issue a lease to the holder of a prospecting permit who shows that, within the term of the permit, a valuable deposit of potassium or any potassium compound was discovered and that the lands are chiefly valuable therefor.

§3533.4 Rejection of application.

- (a) The authorized officer shall reject an application for a preference right lease if the authorized officer determines:
- (1) That the applicant did not discover a valuable deposit of potassium and/or the lands are not chiefly valuable therefor;
- (2) The applicant did not submit in a timely manner requested information; or
- (3) The applicant did not otherwise comply with the requirements of this subpart.
- (b) On alleging in an application facts the applicant believes to be sufficient to show entitlement to a lease, a permittee shall have the right to a hearing before an Administrative Law Judge in the Office of Hearings and Appeals.
- (c) At the hearing, the permittee shall have both the burden of going forward and the burden of proof by a preponderance of the evidence that a valuable deposit of potassium or any potassium compound was discovered and that the lands are chiefly valuable therefor.

Subpart 3534—Exploration License

§3534.0-3 Authority.

Section 302(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732(b)).

§3534.1 Exploration license.

Private parties, jointly or severally, may apply for exploration licenses to